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A synopsis for Ph.D registration

On

The study of Microfinance and it's Impact on Tribal Women of Jharkhand – A Case Study on Simdega District

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1. Introduction

Microfinance is regarded as a valuable instrument for socio-economic upliftment in a developing country like India. It aims to provide easy access to the lenders who are not typically eligible for any bank credit. Main objective of Microfinance is to provide a permanent access to appropriate financial services including insurance, savings and fund transfer. Microfinance target those groups who didn't have access to financial services. Microfinance in India play an important role in purveyance of small credit especially to weaker section of society like tribal women. There are many schemes which focus on women. Since women are important part of society and almost half of the population in country are women, their growth is also important. Empowerment of women is an indispensable tool for achieving growth and advancing development. Gender development enhance the development of country but, there are inequity and vulnerability of women in all sectors, economic, social, political,education, health care, nutrition, right and legal. Women are oppressed in all spheres of life. Women needed to be empowered and Microfinance play an important role in it. This study is focused on tribal women because, Scheduled Tribes constitute an important portion of Indian population. They are characterized as geographically isolated, marginalized and economically poor in India. As per the census of 2011 the scheduled tribe population comprises 8.6% of the country (census 2011) and women in tribal society play a vital role in their social, culture, economic and religious way of life and are considered as economic asset of society, but they are still lagging far behind in the various walk of life. There for Microfinance play a crucial role in tribal woman life as its full fill their financial need and help them in creating a better life for them by providing necessary banking facilities at affordable cost. Jharkhand is a tribal state of India's eastern region. This research proposal aims to investigate the Impact of Microfinance on tribal woman of Jharkhand with reference on Simdega district. Simdega district comprises 10 blocks this study will be based on these 10 blocks.

1.1 . Meaning Of Microfinance

Microfinance is the provision of wide range of financial services to low- income households and their small businesses including deposits, loan, payment services, money transfer and insurance. Microfinance service provided much needed financial assistance to unemployed or low-income individuals. Microfinance allows people to take on reasonable small businesses loans safely and in manner consistent with ethical lending practices. In India a range of institutions in public and private sector, provide microfinance services such as savings, credit, insurance and remittance to the poor. These institutions can be broadly classified into categories, formal institutions and semi formal institutions. There category comprises of apex development financial institutions such as commercial bank, regional rural banks, and cooperative bank that provide microfinance services in addition to their general banking activities and are referred to Microfinance services provider. On the other hand, semi formal institutions that carry out microfinance services as their core activity are commonly known as Microfinance Institutions (MFI's).

Microfinance in simple terms means providing financial assistance in the form of a loans, insurance, savings, fund transfer, training to the small entrepreneurs and small businesses who lack access to banking and related services. Such services are delivered to the client mainly through two principal mechanisms:

(1) Relationship Based banking for individual entrepreneur and small businesses.

(2) Group- based models, where several entrepreneurs come together to apply for loans and other services as a group.

Many of those who promote microfinance believes that such access will help poor people to get out of poverty. For other microfinance is a way to promote economic development, employment and growth through the support of microcredit and small businesses. There are some general key features of Microfinance:

i. It is an essential part of the financial system in rural areas.

ii. It focuses specifically on providing microloans.

iii. The majority of the beneficiary are low-income households.

iv. This method of combating poverty is one of the most effective and defensible approach.

v. It encourages women to participate in economic activities to generate a source of income.

vi. It encourages individuals to pursue opportunities for self-employment.

vii. The emphasis is placed less on making a profit and more on providing the services.

viii. The programmed is designed to assist proprietors of small businesses and producers.

Microfinance is described by the **Asian Development Bank (2000)** [1], as the "microdelivery of wide range of services to low - income households and their micro- businesses, including savings, deposits, loans, payment services, money transfer, and insurance. This concept of Microfinance includes low-income households as well as persons who live below the poverty line."

The **National Bank for Agriculture and Rural Development (NABARD)**[2] has described Microfinance as the " provision of thrift, credit and provide other financial services and products of very small amount to the poor in rural area for enabling them to involve income generation activities as a result raise their income level, empowerment and improve living of standards "

Marguerite S. Robinson (2001)[3], has defined "Microfinance programmers provides to small scale financial services such as primary credit and saving provided to people who operate small

enterprises or micro enterprises where goods and products are sold, who works for wages, who gain income from renting out small amounts of land, vehicles, animal, agriculture machinery and to other individuals and groups at the local level of developing countries, in both rural and urban areas. Overall, the use of Microfinance services can help borrowers with low-incomes reduce risk, improve management, raise productivity, obtain higher sums as returns on investment, increase their incomes, and improve the quality of their lives as well as the lives of any dependents they may have.

1.2 Origin of Microfinance

Microfinance is not a new concept small operation of this type have existed since the 18th century. The first occurrence of micro lending is attributed to the Irish loan fund system, introduced by Jonathan Swift, which sought to improve conditions for impoverished Irish citizen. In the 1800s, many formal savings and loan institutions began to exist in Europe among low-income population in both rural and urban area. At that time, these formal institutions were given the names savings and loans co-operative, credit union and people bank. In this modern form, microfinance became popular on a large scale in the 1970s.

The first organization to receive attention was the Grameen Bank, started in 1983 by Muhammad Yunus in Bangladesh. Professor Muhammad Yunus, the founder of Grameen Bank is Nobel prize recipient in 2006, developed the idea of Microfinance. Microfinance is described as financial services (savings, insurance, funds, credit, etc.) offered to low-income and underprivileged clints in an effort to help them increase their income and, in term, improve their standards of living. People have formed association to address their financial need from the dawn of time, and depending on the nation in which they are found these association go by different names. According to features of their group, these organization are divided into two categories: Accumulating Savings and Credit Association (ASCAs) and Rotating Savings and Credit Association (RSCAs).

ASCAs and ROSCAs are both considered informal organization, but their processes and goals are quite different from each other. When money is saved or contributed to ROSCA, it is immediately redistributed among member on a rotating basis. However, the ASCA is similar to a credit union that the funds contributed by contributors are kept in reserve for a defined period of time, after which the combined funds are divided among the members.

1.3. Evolution Of Microfinance

In India need to provide access to finance or financial services to the rural poor promoted with emergence of credit society between 1947-69. The share of cooperative credit societies climbed up to 20% in 1971. Apart from setting up credit cooperative society; the next step was the nationalization of banks, which happened in 1969. After nationalization of bank RBI paid great attention to the problems of the unbanked population.

As a result, RBI instituted a requirement known as the socially coercive license requirement. According to this license criterion, a bank currently has one branch in a banked area is required to open three branches in unbanked, or rural poor areas. RBI also updated one more thing in this license criteria and that was the 1:4 ratio of banked to unbanked, and with this the results were noted as quite satisfactory. Then, RRBs were formed in 1976 with the objective of providing credit facilities to the rural poor people, small farmers and small-scale entrepreneurs. However, after the year, regional rural banks growth slowed down.

Self Employed Women's Association SEWA was founded in 1972 by working women form the unorganized sector of Ahmedabad, Gujrat. It was registered as a trade union in 1972 with the goal of improving members income, employment conditions and social security level. The Self Employment and Women's Advancement Association (SEWA) has placed great emphasis on helping women to achieve their independence through the pursuit of self - employment and has contributed significantly to the advancement of working women in the state of Gujarat. SEWA members decided to collect share capital, and 40000 women who are member of SEWA contributed RS.10 each, as a result Mahila Seva Sarkari Bank came into existence in 1974. When this is taken into account, it became clear that Microfinance in the form of service banks existed in India prior to the launch of SHG - BLP by NABAD. National Bank for Agriculture and Rural Development (NABARD) came into existence in 1982 with the intention to provide loan to low-income families to enable them to engage in agriculture activities, rural enterprises or industrial endeavors. The number of branches in rural area, commonly known as " unbanked areas" increased until 1990.

Then, SIDBI was created in 1990 by an Act of Parliament in 1988. It is subsidiary body that belongs entirely to the Industrial Development Bank of India. IDBI have the responsibility of the development of small-scale industries. SIDBI, then became an apex body for micro, small and medium sized enterprises (MSMEs). After the successful completion of the pilot phase of the microcredit scheme, SIDBI announced in January 1996 the setting up of the SIDBI foundation for microcredit, also known as SMFC. This was done to provide support to MFIs to provide financial services to the rural poor with a special focus on women working in sector other than agriculture. For Microfinance Institutions (MFIs), SMFC provides both financial and non-financial services.

The modern Microfinance movement started in India in 1992 with Self Help Group - Bank Linkage programmed (SHG- BLP) started by NABARD in 1992, with it realizing guidelines to banks for financing Self Help Groups as part of a pilot project that planned at financing 500 Self Help Groups (SHGs) through the banking system, all around the country. While the banks had financed about 600 SHGs by March 1993, they continued to finance even more SHGs in the coming years. This encouraged the Reserve Bank of India (RBI) to include financing SHGs as a mainstream activity of banks under their priority sector lending in 1996. The banking system comprising public and private sector, commercial banks, regional rural banks,

and cooperative banks has joined hands with several organizations in the formal and non-formal sectors to use this delivery mechanism for providing financial services to a large number of the poor. A Self-help group (SHG) is a small group of about 10-15 persons from a homogeneous class of rural poor which promoted savings among members and used these resources for meeting their credit needs. The group is democratically formed and elects its own leaders such as President, Treasurer, Secretary and members. The vital features of Self-help groups (SHGs) are it consists of members belonging to the same community or the same economic background of society and having common economic goal. In this model, the informal Self-help groups (SHGs) are credit linked with the formal financial institutions. The SHG- Bank Linkage Model (SHG-BLM) has emerged as a dominant model in terms of the number of borrowers and loans outstanding. This model is flexible, and independence creates and imparts freedom of saving and borrowing according to the requirements of group members. Due to the widespread rural bank branch network, the Self-help groups bank linkage model (SHG-BLM) is very suitable to the Indian context. The real microfinance movement started in India with the introduction of SHG- Bank Linkage Programmed (SHG-BLP). The programmed uses Self-help groups as intermediation between the banks and the rural poor to help in reducing transaction costs for both the banks and the rural clients. [4]

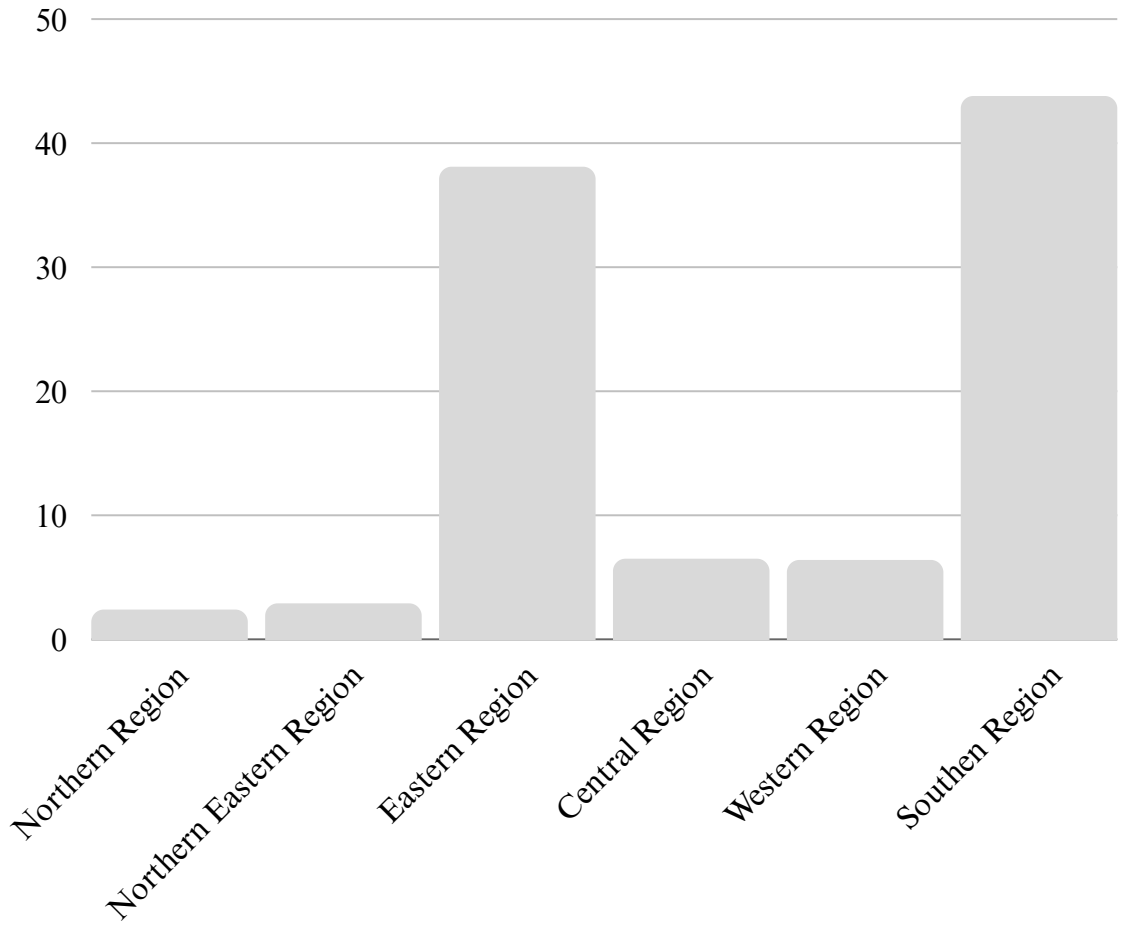
Microfinance is very widespread in these modern days and have different effects on different region of country. There is comparison about use of SHG in different regions of country available below :

Region wise status of Bank Loan Disbursed to SHGs during 2020- 2021 to 2022-2023.

Region	2022-2023	2022-2023	2022-2023
	Total loans Distributed (₹lakh)	No. Of SHGs (₹ lakh)	Average Loans Distributed (₹lakh)
Northern	2,06,437	1,02,931	2,00,559
North Eastern	3,13,764	1,23,602	2,53,850
Eastern	33,38,333	16,34,604	2,04,229
Central	4,63,673	2,78,359	1,66,574
Western	6,75,144	2,73,253	2,47,077
Southen	95,22,672	18,82,772	5,05,779
Total	**1,45,20,023**	**42,95,521**	**3,38,027**

source - NABARD; Microfinance Status In India 2023 report : retrieved on October, 2024

Comparative analysis of region wise percentage share in credit linkage SHGs.



Region	Northern Region	Northern Eastern Region	Eastern Region	Central Region	Western Region	Southern Region
Percentage share in credit linkage SHGs	2.4	2.9	38.1	6.5	6.4	43.8

source- NABARD: Microfinance status in India 2022-2023: retrieved on October 2024

Description about SHG Type and SHG uses Category wise in Jharkhand

SHG Type	Number	Categories wise member	Number
New	2449	SC	892
Revived	175	ST	3400
Pre- NRLM	5799	OBC	2858
Sub Total	**8423**	Others	1189

source - NRLM SHG categories wise report: retrieved on 10 October, 2024

1.4 Model of Microfinance

At this time, microfinance providers around the world are employing a variety of models; the well-known microfinance models which are currently in use as under:

A. Grameen Bank

The Grameen bank model is one of the best-known models of microfinance and is credited with popularizing the concept of microfinance throughout the world. This model of microfinance was first implemented in Bangladesh by Professor Yunus and has since developed into a model of microfinance that is used internationally as part of a poverty alleviation strategy. This type of microfinance model is based on joint liability groups (JLGs), which consist of four to five members and work on the principle of joint liability. This joint obligation compelled potential members who wanted to be part of any group to share characteristics among its members. Because of the widespread belief that women are more trustworthy than men, the majority of group members in this model are women. As a result of the action research program conducted in the Bangladeshi village of Jabra, it was found that the overall productivity of the women in the village increased. He gave each of the 42 impoverished women a personal loan so they could launch their own businesses, and he made it his mission to make sure the women could fulfill all of their financial commitments for the loan within the specified timeframe. The contemporary practice of microfinance was therefore made possible and was given bank status in 1983. Currently, the Joint Liability Group (JLG) model of Grameen Bank is benefitting around 7 million beneficiaries in Bangladesh, 97 percent of who are women. In India JLG are playing a crucial role in enhancing women situation in society as 257.92 lakh JLGs have been provided with credit to the tune of Rs. 4.59 lakh crore. NABARD grant assistance of Rs. 319.83 crore sanctioned to facilitate promotion of 14.4 4 lakh JLGs. More than 92000 members of the successful JLGs have been already benefitted from various training and exposure visit. (Sources: NABARD, 2023)

B. Village Banking Model

It is a community-based saving and loan-based association consisting of 25 to 50 members who are economically poor and want to improve their economic condition. The group is located in the village. This model has been successful in both Africa and Latin America. External accounts and internal accounts are the two types of accounts are used in this model. The external account represents the source of resources that come from outside sources and are lent to the members of the bank. Funds in the internal accounts of the members, which also serve as the basis of loans to other members, are known as savings. On the other hand, the bank aims at to be financially independent and not depend on any external funding sources. At first, the Grameen Bank is dependent on outside sources of capital, but over time, its members work towards becoming financially independent. Both the Grameen Bank model and Village Bank model helped members to

get collateral-free loans; However, in the Village Bank model, members work towards gaining access to internal as well as external sources of capital, while the Grameen Bank model is dependent on external sources of funds.

C. Credit Union Model

A social, civic, and self-help movement aimed at for helping the economically disadvantaged, gave birth to the credit union. This microfinance model requires each participant to take on the role of a shareholder in order to receive the benefits of the credit union, which include the ability to save money and borrow money. Credit unions are democratic organizations, each member has a right to influence the policies governing in that particular credit union.

D. Self Help Group Model

This particular model of microfinance is quite common in India. Self-help groups can be set up with the help of NGOs or government agencies. A Self-Help Group, also known as SHG, is an informal organization usually consisting of ten to twenty members who pool their resources to distribute loans to each other. Self Help Groups in India are linked with NGOs and banks; NGOs assist SHGs by providing direct funding in addition to a variety of other support services. The existence of self-help groups provides a ray of hope to group members who are struggling with issues related to their physical and mental health, as well as addictions and other forms of economic, social and emotional distress.

The following describes the operation of self-help groups:

- In order to maintain the spirit of group togetherness and activity, regular meetings are held at prescribed intervals.
- In small groups, it is standard practice to get everyone's consent before making a decision.
- The amount to be kept in savings is determined by the member with the lowest monthly income; generally, the amount is kept very low so that it can be afforded.
- About rupees one hundred (Rupees) per month is required to be paid by each member, few members of the group are responsible for doing it.
- SHGs lend to other members of the group but not to non-members as the risk of doing so outweighs the return.
- The leadership of SHGs is considered stable as long as there is no disagreement among the group members.

E. Microfinance Institutions Model

Microfinance institutions, also known as MFIs, are financial businesses that provide financial assistance to economically disadvantaged individuals who have no other formal access to credit.Through this type of microfinance model, microloans can be provided to individuals, self-help groups,

or joint liability groups who have no other formal access to credit. Although interest rates at microfinance institutions are relatively stable, the cost of lending money to borrowers can vary widely between institutions. MFIs model as Self-Help Group model does not perform well in terms of loan repayment. Microfinance institutions have emerged around the world as a result of the success of the rural bank model of microfinance, which was first implemented in Bangladesh.Over the past few decades, microfinance has emerged as a powerful tool to combat poverty in the world's poorest countries. In India, the MFIs model can take a number of different institutional and legal configurations, each of which is classified separately. MFIs in India can take many different forms, including trusts registered under the Indian Trusts Act, cooperative societies registered under the Mutual Aided Co-operative Societies Acts of states, societies registered under the Societies Registration Act 1860, and (NBFC)-MFIs, which are registered under section 25 of the Companies Act (Gupta and Ansari, 2014). [5]

1.5. The Government's Programs for Microfinance

Along with a focus on rural development, the Indian government has started a number of initiatives to offer microfinance. Here are a few of the programs that were started in this regard: [6]

A. Integrated Rural Development Programmed (IRDP):

In 1980, the government launched a program to eradicate poverty to promote the development of rural areas. The goals of the program included helping the extreme poor, generating employment, helping small and marginal farmers, and providing assistance to scheduled castes and scheduled tribes. Further, the IRDP offered small loans to low- income borrowers and also sought government aid with the goal of enhancing people's capacity to live in rural areas. The process of distributing bank loans in the form of small loans is safeguarded by several steps, such as the first of which is the gram panchayat of the village selecting the beneficiaries who are below the poverty line and need financial assistance; secondly, the banks check the validity of the information from the gram panchayat as the main goal of the program is to provide financial assistance to families who are below the poverty line, SC/ST and handicapped. After lending money to individuals or families, financial institutions feel a sense of accomplishment. A maximum of Rs 25,000 can be borrowed. IRDP was active from 1980 to 1999, after which it was subsumed into a new government program known as Swarna Jayanti Gram Swarojgar Yojana.

B. Swarnjayanti Gram Swarojgar Yojana (SGSY):

SGSY is a restructured form of IRDP. IRDP merged with SGSY in 1999, which became the program for self-employed or rural people. The SGSY provided complete assistance to families/households whose income fell below the official poverty line so they may start their own Self- Help Groups (SHGs) or join pre-existing SHGs. Despite this, SGSY has been able to help with infrastructure creation, choice of income-generating activities, planning of these activities, capacity building, and marketing support. Instead of being a single source of credit, SGSY

had been acting as several sources of credit.

C. National Rural Livelihood Mission (NRLM):

SGSY was restructured into NRLM in 2009 by the Ministry of Rural Development with a view to meeting the Millennium Development Goals by 2015 by reducing poverty through self-employment. For this, it is necessary to reach the poor to bring them under the ambit of employment.

D. Rastriya Mahila Kosh (RMK):

In 1993, the central government established RMK as a national-level institution to provide financial assistance to low-income women who did not have any assets of their own. The provision of monetary assistance in the format of financial services or nominal loans to economically disadvantaged and/or vulnerable women, so as to enable these individuals to engage in any endeavor aimed at generating income, is the driving force behind the establishment of RMK. In order to assist the needy and underprivileged women in meeting their needs, RMK offers unsecured financial aid in the form of funds/cash. RMK lends money to microfinance organizations through the government and other donor agencies at an interest rate of 8% for a period of three to five years. Underprivileged people can apply for various types of loans from RMK, which include housing, working capital, gold and business among others.

E. Jharkhand State Livelihood Promotion Society (JSLPS)

JSLPS stands for Jharkhand State Livelihood Promotion Society. JSLPS's primary role is to implement livelihood promotion and the National Rural Livelihood Mission (NRLM) Project in Jharkhand. The Rural Development Department of Government of Jharkhand (GOJ) has established JSLPS which is a separate and autonomous society which works as a nodal agency for effective implementation of livelihood promotion in the state. There are some main objectives of JSLPS:

- To alleviate the poverty in the state, especially among the disadvantaged groups .
- To contribute to the lives of the rural poor throughout the state through empowerment and fostering strong self-managed grass root institutions and support investments for the groups of the poor.
- To bring in convergence among various poverty reduction and empowerment programs/schemes.
- To evolve strategies and approaches for the empowerment of the poor through social mobilization and institution building for community participation.
- To build support and service structures for providing social and technical guidance to the poor in their overall social progress and livelihood development
- Support development of new ideas and innovative programs.
- Provide technical and other advisory support to government and stakeholders, etc.

1.6 Role and Importance of Microfinance

Microfinance is a significant factor in India's progress toward financial inclusion, despite the fact that the country's central government and many of its state governments are currently operating a number of programmers to fight poverty. Over the course of the last few decades, it has been of tremendous assistance in the fight against poverty. According to various reports, individuals who have obtained microfinance have been able to raise their level of income and, as a result, their standard of living. As a result, microfinance plays a significant part in the growth of Indian economy in following way,

A. Credit to Rural Poor: In the most of cases, the rural sector must rely on non-institutional organizations to meet its financial needs. Micro financing has been successful in bringing institutionalized credit to the doorsteps of the poor, which has resulted in those individuals becoming financially as well as socially stable.

B. Poverty Alleviation: Microfinance helps to alleviate poverty by providing low-income individuals with employment opportunities. In addition to this, it assists them in developing their entrepreneurial skills and encourages them to make the most.

C. Social Welfare: Employment is created through microfinance, as a result of which the income level of the people increases. As a result of which they can go for better education, health, family welfare etc. Thus, micro finance leads to social welfare or the betterment of society.

D. Women Empowerment: Generally, more than 50% of SHGs are constituted by women. Now they have considerable access to financial and economic resources. The microfinance programmed is a step towards greater security for women. Hence, microfinance empowers economically and socially disadvantaged women.

E. Economic Growth: Microfinance plays a key role in stimulating sustainable economic growth. Due to microfinance, the production of goods and services increases, which increases the country's GDP and contributes to the economic growth of the country.

F. Mobilization of Savings: Microfinance develops saving habits among people. The financial resources that are generated through savings and microcredit obtained from banks are utilized in order to provide loans and advances to the organization's members. Previously, only wealthy individuals were able to save money and obtain bank accounts. As a result, microfinance contributes to the mobilization of savings.

G. Mutual Help and Co-operation: Microfinance programmed promotes mutual help and co-operation among members. The collective effort of the group promotes economic interest and helps in achieving socioeconomic transition.

1.7. A brief Profile of Simdega District .

The word Jharkhand is derived from the two word i.e. “Jhar” means ‘forest’ and “Khand” means ‘land’. Thus, Jharkhand means Land of Forest. It is a tribal state of south eastern region of India. The state shares its border with the states of West Bengal to the east, Chhattisgarh to the west, Uttar Pradesh to the northwest, Bihar to the north and Odisha to the south. Jharkhand state is formed on 15th November 2000 which are separated by Bihar. It is the 15th largest state by area and 14th largest by population. Ranchi is the capital and Dumka is sub–capital of Jharkhand. There is total 24 districts in the Jharkhand. Hindi is the official language of the state. There are many tourist places, waterfalls and holy places in this state. Its area is 79,716 square km. The total Population of Jharkhand is 32,988,134 with the census of 2011 whereas in urban 24.05% and in rural 75.95% survived. The density of population is 414 per square km. The sex ratio is 948 per 1000.More than 40 % minerals resources of India is found in Jharkhand but 39.1% of its population is below the poverty line and 19.6% of children under five years of age are malnourished (Encyclopedia of Jharkhand). The literacy rate of Jharkhand is 66.41%. Jharkhand consists of 24 districts with population of 32,98,8134. Out of total population 24.05% lives in urban area and 75.95% lives in rural area. It is clearly show that percentage of population in rural area is highly more than urban area. As per Census 2011, The sex ratio of rural area is 961 for 1000 males and in urban area is 910. The literacy rate of male is 72.86% and female is 48.91% in rural areas whereas in urban area the literacy rate of male is 88.44% and female is 75.47%. It shows that the condition of education of female in both rural and urban areas is not so good. Due to illiteracy the rural people do not awareness of various scheme which are framed by the government of India. Numerically, Jharkhand State has the 12th largest tribal population in the country, accounting for 8.3 percentage of total tribes’ population of India. In Jharkhand, the scheduled Tribes population in 2011 was 8.6 million constituting 26.2% of the percent of the total population of the state. Top five districts with percentage of Tribal population to their population are khunti, Simdega, Gumla, West Singhbhum and Lohardaga.

Population Description of Top Five Districts with Scheduled Tribes Percentage:

District	Total Population	ST Population	ST Population %	District's ST Population against Total State's ST Population
Khunti	531885	389626	73.25	4.51
Simdega	599578	424407	70.78	4.91
Gumla	1025213	706754	68.94	8.18
West Singhbhum	1502338	1011296	67.31	11.70
Lohardaga	461790	262734	56.89	3.04

source - Tribal Welfare Research Institute Jharkhand: retrieved on October, 2024

Simdega District Population Description (Census, 2011)[7]

As per census 2011, the district has 451 Village and 1 town distributed in two assembly constituencies. Census 2011 figure indicated that percentage share of scheduled caste population to total population was 7.45 percent while that of scheduled tribes is 70.78%. Total area of District is 3761.20sqkm.

S. No.	Indicator	Population
1	Total population	599578
2	Male	300329
3	Female	299269
4	Rural	556634
5	Urban	42944
6	SC	22150(M),22514(F), 44674(total)
7	ST	211546(M) ,212861(F) 424407(total)
8	Sex ratio	1000
9	% growth (2001-2011)	16.62
10	Literacy Rate	75.8%(M),59.38(F), 67.59% (total)

source - Census,2011: retrieved on October,2024

1.8. Description about 10 block of Simdega district

This research will be based on Simdega district which is ranks twenty- second in term of total population in the state and twentieth in regards to decadal population growth rate (2001-11) among the twenty - four districts with a sex ratio of 1000. The district comprises of 10 blocks namely, Simdega, Pakar Tanr, Kurdeg, Kersai, Bolba, Thethaitangar, Kolebira, Jaldega, Basjor and Bano.

Demographic Description of 10 Blocks of Simdega District [8]

Block Name	Total Population	Sex Ratio	ST Population	ST Women
1. Simdega	115,075	985	69,162	34,943
2. Pakar Tanr	37,507	967	25,613	12,620
3. Kurdeg	47984	1009	34,707	17511
4. Kersai	39,218	1003	31,505	15,886
5.Bolba	30,786	1022	22,433	11,333
6.Thethai-tangar	87,458	1001	70,432	35,284
7. Kolebira	71,283	980	44,590	22,205
8.Jaldega	64,286	999	53,309	26,665
9.Bansjor	25,519	985	21840	10841
10.Bano	80462	1019	50,816	25,573

source - census: 2011 retrieved on November, 2024

2. Literature Review

A literature review is a search and evaluation of available literature in your given subject or chosen topic area. A comprehensive review of literature is an integral part of any investigation as it not only gives an idea on the work done in past and assist in understanding the problem area and also provide basis of interpretation and discussion of the findings. The literature on Microfinance Effectiveness has been vast and highly illuminating. An attempt has been made in the following to review some studies.

Priyadarshi & Priyanka (2017)[9], "Suggested that microfinance positively impacts social and Economic well-being in small district like Deoghar. However, the capability well-being dimension shows no significant change. For practitioners/government agencies this thesis recommends to include capacity building measures like training and sensitization of borrowers. Distance from the city center, identified in the qualitative portion of the thesis, has significant connotations on the overall impact of microfinance in small district of India. This finding points at the shallow penetration of microfinance and its associated activities in Deoghar and small district like Deoghar."

Patnaik & Jeenata (2020)[10] Inferred that, "Microfinance initiatives have proved to be an effective tool in rural women's social, psychological, and economic empowerment in small districts of India. It is difficult to challenge the potential of microfinance and its ability to bring about changes in the rural sector. The study inferred that while the rise in women's incomes played a significant role in improving the economic independence of women still, there is societal discrimination that limits the capability of women for their family improvement. The study stresses microfinance beneficiaries' age, caste, marital status, education, religion, and monthly income as important factors that have been analyzed regarding their economic, social, and psychological empowerment. Based on the results from the research and review of the data collected from the research areas i.e. the small districts of India, there is an increase in women's perception of participating in the SHG. Though microfinance institutions are facing challenges, the SHGs have successfully brought a change in rural areas."

Manisha Kumari (2024)[11] suggested that, "The performance of women lead Self-Help Groups (SHGs) through the SHG bank linkage programmed in Jharkhand from 2018 to 2023 reflects a dynamic and evolving landscape. This research has suggested that developing a strong framework for ongoing monitoring and evaluation of the performance of self-help groups (SHGs). Consistent assessments can pinpoint areas requiring enhancement, monitor advancements, and facilitate prompt interventions to tackle challenges, thereby securing the longevity of the two groups foster collaboration between SHGs, NGOs, and government agencies to create a supportive network. This collaboration can provide access to resources, knowledge sharing, and opportunities for collective growth, encourage leadership development initiatives aimed at strengthening the managerial and organizational skills of self-help group (SHG) leaders.".

Kumari, Lalita (2023)[12] Suggest that, " After joining the SHGs, the women who are related to the particular categories and the weaker groups of society (SC and OBC), became empowered. Study found that OBC women are more self-reliant than SC women. The socio-economic status of the SC women in the Ramanathapuram district found that after joining the SHGs, SC women increased the capacity to generate income, savings, decision making, and expenses. It was also found in the study that after joining SHGs, SC women were empowered due to the availed loan amount, participated in a training program, acquired awareness and knowledge through SHGs and are aware of the use of technology."

3. Research Gap

There are several studies about Microfinance which are focused on significance and role of microfinance in empowering women. But there is unavailability of study about microfinance effectiveness of tribal women. Since women are still deprived in various part of life and they are also half of the population. Therefor their development also important. Since, Tribal people characterize by economic backwardness and they did not easily prefer change. Therefore, there are many tribal women in rural areas of Simdega district who are not part of different microfinance schemes, which can help them in raising their living standards. Therefore, there is a need to study about the microfinance effectiveness on tribal women's. This study will be focused on Simdega district which 70.78% population are tribal. This study will critically evaluate tribal women perception level about microfinance and study change in livelihood work and income level.

4. Relevance Of the Study

Women are important part of society but they are lagging behind in many area. Since things are changing slowly in the favor of women. Government plays important role in empowering women with the help of different schemes which are focused on women empowerment. In this case Microfinance is a crucial aspect which have been used for years to provide finance. Therefore, Microfinance has become important aspect in life of poor people who fulfill their financial need by using Microfinance. Thus, this study will be focused on Microfinance's different impact which changed tribal women lives. I choose my sample of tribal women for a reason that they are still deprived in various term of life in comparison to other. But this day it has been seen in rural areas that these tribal women are part of different microfinance society and availing government schemes benefits. Therefore, this study will critically evaluate effects of Microfinance and provide clear idea about perceptions of women regarding Microfinance in Simdega district. As we know there are total 24 district in Jharkhand. So, it is not possible to study about all the district for this research. Therefore, I will study Simdega district which 70.78 percent population are scheduled tribal and sex ratio of 1000 female for every 1000 male. There are 10 blocks in Simdega district which content both rural and urban areas, therefore it will be easy to compare both areas effectiveness on women's. This study will also cover a block and district level working body's role and their work towards microfinance implementation.

5. Significance Of the Study

i. The research work will study change in an income level of tribal women with the help of Microfinance.

ii. This research will provide the information related to Microfinance Schemes of Simdega district in Jharkhand.

iii. This study will focus on tribal women participants in group of microfinances.

iv. This study will compare livelihood working changes on tribal women of Simdega district in Jharkhand.

v. This study gives the impact of microfinance of urban and rural areas of tribal women of Simdega district in Jharkhand.

vi. This research work will study Microfinance effect on making women self-sufficient.

Vii. Government Initiatives and schemes effect and role in promoting Microfinance.

This study will recommend more suggestions on the basis of findings.

6. Objective Of the Study

The main objective of this study is:

i.To show outline of origin and growth of Microfinance of Simdega district in Jharkhand.

ii. To measures level of awareness about microfinance in rural areas.

iii. To study role of Microfinance Institutions (MFIs) in delivery of Microfinance services among tribal women.

iv. To examine different impact of Microfinance between urban and rural area's tribal woman in Simdega district.

v. To check the Microfinance impact on making tribal women self-sufficient.

vi. To study the changes in livelihood works of tribal women of Simdega district in Jharkhand.

vii. To study tribal women perception about Microfinance.

viii. To study impact of government schemes in promotion of Microfinance among tribal women.

ix. To study impact of Microfinance change in earning level of tribal women.

7. Hypothesis

The following hypothesis will be tested during the research work:

- The delivery mechanism of MFIs in Simdega District for Tribal women are not satisfactory.
- The government schemes towards upliftment of tribal women through Microfinance in Simdega district are not satisfactory.

8. Research Design and Methodology :There are some tools to help in gaining accurate information .

Sources of Data: Primary Data: Questionnaire and personal interview method will be used for primary data collection.

Secondary data: There are several documentary sources of secondary data. There are various National, International Institution and their publication, semi official report of various committee, private publication like newspaper, research journals and book which collected and published the data related to Microfinance work and it's impact. Publication of various organizations can also be useful for secondary source of data etc. Secondary data on Microfinance effectiveness is available on electronics media like internet.

Sample: Since there are 10 blocks in Simdega district. Therefore, my sample frame would be as follows:

- 30 scheduled tribal women from each block.
- 8 block level employees from each block.
- 20 district level employees.

Thus, there will be 300 scheduled Trible women from both urban and rural areas of Simdega district and 80 block and 20 district level employees working towards Microfinance. Thus, total sample size will 400.

Sampling Techniques and Statistical Tools of the study: Simple random sampling and cluster sampling techniques are used for sampling .

- Simple average
- Variance
- Paired sample test
- Chi - square test, etc.

9.Limitation of the study

i. This study is basically limited to selected areas of Jharkhand i.e. Simdega district.
ii. This study will be more based on secondary data rather than primary data etc.

10. Tentative Chapterisation

Chapter 1: Introduction & Review of Literature.

Chapter 2: Historical development and Regulatory framework of Microfinance in India.

Chapter 3: A Brief Study of Microfinance and it's Impact on Tribal Women in Jharkhand.

Chapter 4: An Impact of Microfinance on Tribal Women of Simdega District.

Chapter 5: Research Methodology and Hypothesis Testing.

Chapter 6: Conclusion, Finding and Suggestions.

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